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DATE OF INFO.

SUPPLEMENT TO
REPORT NO.

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Mission to Egypt

1. In June 1950 a Yugoslav commercial mission went to Egypt to sell Yugoslav cigarette paper.
2. The following offer was made to the Egyptian authorities:
 - a. Papier a Cigarette Verge, at 265 British pounds per ton
 - b. Papier a Cigarette Combustible, at 260 British pounds per ton
 - c. Papier a Cigarette semi-Combustible, at 255 British pounds per ton
 - d. All payable in British pounds on a cash basis.
3. The mission succeeded in selling to Egypt thirty tons of cigarette paper for 7,500 British pounds.
4. The Yugoslav representatives would have been able to close better deals, if they had received answers to cables sent to Belgrade regarding technical matters and various commercial problems which were brought up during the negotiations.
5. Before the representatives arrived in Egypt, Yugoslavia purchased in Port Said 50,000 tons of salt. Mr. Jozovic, a Yugoslav who resided in Alexandria since before the war, acted as mediator in this deal. The representatives arrived in Egypt by sea via a Yugoslav boat. The representatives left from Rijeka (Fiume), and disembarked in Alexandria on 1 June 1950.

Mission to London

6. The mission's trip to London was planned by the Centroprom officials in Belgrade for the purpose of organizing the sale of Yugoslav hemp in England. Hemp is one of the main Yugoslav export items and Yugoslav commercial authorities are trying seriously to secure a good sale of hemp in order to obtain necessary sound foreign currency, which they would use for the acquisition of urgently needed industrial machinery.

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7. Yugoslavia expected that the sale of hemp would bring sufficient funds for the acquisition of:
 - a. Machinery for spinning of hemp and jute.
 - b. About ten thousand spinning machines for wool.
 - c. Machinery for spinning of cotton. Since the amount of revenue hemp would bring was uncertain, there was no definite decision on the quantity of machinery for cotton.
 - d. A complete industrial shop for the manufacturing of tires.
 - e. Compressors and machinery for building and repairing of roads, the quantity was not definitely determined.
 - f. Various heavy industry machines.
8. The above mentioned textile machinery was to be purchased in England and, possibly a part of it, in Miljausen, France.
9. The spinning machines for making wool would be the type that manufactures yarn for heavy military clothes and underwear.
10. Since hemp is a rationed item in England, its importation and distribution is under the control of the Board of Trade, Hemp Directorate, which is located at 3 Central Building, Mahew Parker Street, London, S.W.
The Chief of this Board is Mr. Edes, and his assistant is Major Renton.
11. The mission visited the following companies:
 - a. R.H. McLaren, Esquire. The Boase Spinning Company, Ltd., Hawkslaw Works, Leven 5 (Edinburg).
 - b. J.A. Gill, Mr. Harrogate, Yorks.
 - c. Bridgeport Industry Ltd. Spinners Hounsells, Mr. Cox - Bridgeport.
12. All three of the above mentioned companies stated that the quality of the Yugoslav hemp satisfies their requirements, and they were willing to make a deal. R.H. McLaren wanted to purchase 300 tons of Yugoslav hemp because he thought the price fair.
13. When the Yugoslav representatives informed Major Renton on the results of their visit to the above mentioned companies and requested an official approval to carry out the deal with them, Major Renton stated that no approval could be granted because he had a credit of only 5,000 British pounds for Yugoslav hemp.
14. Major Renton promised the Yugoslav representatives that he would request a credit of 150,000 British pounds for the second half of 1950, which sum would be reserved for the importation of Yugoslav hemp.
15. In order to make use of the available credit, the Yugoslav representatives in cooperation with the firm Zinn, assigned 30 tons of hemp to the Bridgeport Industry Ltd, which had requested 75 tons of Yugoslav hemp.
16. Since the attempt to sell a large quantity of hemp practically failed, the Yugoslav representatives could not negotiate for the acquisition of textile

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machinery. However, for information purposes the mission visited the textile machinery factories in Leeds. The mission was particularly interested in the products of the Fairbairn Lawson Combe Barbour Ltd., in Leeds.

17. The representatives submitted to the Board of Trade, through Major Renton and two potential British customers, the following list of prices for Yugoslav hemp:
 - a. I-a "Vijana Kudelja" (Schwunghanf) - 150 British pounds per 1,000 kilograms.
 - b. I-a "Vijana Kucina" (Schwungwerg) 67 percent of the above price.
 - c. II-a "Vijana Kucina" (Schwungwerg) 63 percent of the price of I-a (Schwunghanf).
 - d. III-a "Vijana Kucina" (Schwungwerg) 58 percent of the price of I-a (Schwunghanf).
18. The representatives made arrangements with the firm Zinn & Company, 4 Lloyd's Avenue, London E. C. 3, to make certain that the credit of 150,000 British pounds, which Major Renton promised to obtain for importation of Yugoslav hemp, would be approved. Mr. Zinn was requested to stimulate the interest of British importers for Yugoslav hemp. In return, Mr. Zinn would get two to three percent of the value of the Yugoslav hemp imported to England, depending on the success of his activity.
19. In March 1950 Yugoslavia bought in England from the firm Roger & Bradley 1,000 tons of semi-processed jute. The jute was supposed to be delivered in July 1950 and paid for three months after the delivery. The price was very high and at the end of July the order was not shipped.
20. Shortly before the arrival of the mission (arrived on 30 June 1950) in London, Yugoslavia purchased directly from the firm Clark-Wilson Company, Import-Export, Winchester House, Old Broad Street, London E. C. 2, 500 tons of semi-processed jute, under condition of a determined date of delivery. The cost of this jute was about sixty thousand British pounds.
21. The mission's original trip schedule called for a visit to France where the representatives were supposed to negotiate the sale of hemp and acquire textile machinery. The mission was scheduled to call on the firm, Union Textile du Nord, 14 Rue de Londres, Paris 90, to close the deal on exchange of Yugoslav hemp for bast which this firm had previously offered to the Centroprom. However, the mission received an order in London to go directly to Frankfurt, Germany.

Mission to Germany

22. The main object of the mission's trip to Germany was to negotiate with the German hemp, spinning, and weaving companies for the exchange of Yugoslav hemp for products of hemp manufactured in Germany.
23. Yugoslavia wanted to make a deal on the following basis:
 - a. Deliver to Germany semi-processed hemp.
 - b. Acquire from Germany manufactured products.
 - c. Pay for the processing and manufacturing with hemp.
24. Centroprom offered to the German manufacturers the following price list for the Yugoslav hemp:

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Price List for Hemp and Tow as of 15 July 1950

Schwunghanf gerostet I	US dollars	350.00 per ton
Schwunghanf gerostet II	US dollars	325.50 per ton
Schwunghanf gerostet III	US dollars	294.00 per ton
Schwungwerg gerostet I	US dollars	238.00 per ton
Schwungwerg gerostet II	US dollars	214.20 per ton
Schwungwerg gerostet III	US dollars	193.80 per ton
Schuttelwerg gerostet I	US dollars	210.80 per ton
Schuttelwerg gerostet II	US dollars	190.40 per ton
Schuttelwerg gerostet III	US dollars	159.80 per ton
Abrisswerg	US dollars	252.00 per ton
Schwunghanf grun I	US dollars	280.00 per ton
Schwunghanf grun II	US dollars	260.40 per ton
Schwunghanf grun III	US dollars	235.20 per ton
Schwungwerg grun I	US dollars	190.40 per ton
Schwungwerg grun II	US dollars	171.20 per ton
Schwungwerg grun III	US dollars	154.40 per ton
Schuttelwerg grun I	US dollars	168.00 per ton
Schuttelwerg grun II	US dollars	152.00 per ton
Schuttelwerg grun III	US dollars	127.20 per ton

On the items marked Grunhanfen, a discount of 25 percent has been deducted.

To the Hachelhanfen prices 30 percent has to be added.

25. Yugoslavia was primarily interested in obtaining from Germany 500,000 sacks (bags) manufactured from Yugoslav hemp, or in exchange for Yugoslav hemp. These bags had to meet the following requirements:
 - a. Size of each bag, 96 x 106 centimeters.
 - b. Weight of each bag, 600 grams per bag corresponding to 300 grams per square meter.
 - c. The base yarn thickness No. 3.
 - d. Weaving yarn thickness No. 2. (Numbers taken from the metric system)
 - e. Forty-four threads and 22 weaving threads in 10 square centimeters.
26. For this item Yugoslavia offered the following proportion of hemp:
 - a. Schwunghanf II 25 percent
 - b. Schwungwerg II 30 percent
 - c. Schwungwerg III 45 percent

In return for spinning and manufacturing, Yugoslavia would give hemp in the same proportion.

27. The German companies requested the following prices for the spinning and weaving:
 - a. For spinning of No. 3 yarn, Deutsche Mark, 1.23 per kilogram.
 - b. For spinning of No. 2 yarn, Deutsche Mark, 1.03 per kilogram.
 - c. For weaving, Deutsche Mark, 2. per kilogram.
28. The German prices quoted were such that the manufacturing of requested bags would cost 300 percent of the worth of the raw material. The mission could not accept these conditions.

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29. Because of Yugoslavia's urgent need for bags the mission closed a deal with the Hersfeld Hemp and Jute Mill, ordering 60 tons of the above described bags on condition that the manufacturing of them be paid in cash. Yugoslavia will have to pay in cash 120,000 Deutsche Mark.
30. Yugoslav officials expected to make a deal with Germany for the sum of 1,500,000 Deutsche Mark on exchange basis as described in paragraph 23.
31. The 500,000 bags, which the mission was supposed to obtain in Germany in exchange for hemp, are urgently needed by Yugoslavia for shipment of sliced sugar beets to the United States. The United States purchased the sugar beets from Yugoslavia and the Yugoslavs feel the beets should be delivered as soon as possible. All of the Yugoslav spinning and weaving factories would have to work one year, 16 hours per day, to manufacture this quantity of bags.
32. The Hanfspinnerei Fussen from Fussen was very interested in making a deal with Yugoslavia. This hemp spinning factory is considered the biggest one in Germany and its production averages 60 tons of hemp yarn per day. Theodor Oberlaender, 3 Hompestr, Munich 27, is representative of this factory. However, no deal was made, since this factory was offering only hemp yarn No. 5 (British numeration) at a price of 1.35 Deutsche Mark per kilogram, and hemp yarn No. 3.5 (British numeration) at a price of 1.03 Deutsche Mark per kilogram, for only the manufacturing of the yarn. The mission suggested that this company, through Oberlaender, make an official offer to Centroprom for yarns Nos. 8, 10, and 12, which Yugoslavia could use for manufacturing of cloth for military work uniforms.
33. The mission also requested that Oberlaender work out a plan for a three-party exchange of goods between Holland, Czechoslovakia, and Yugoslavia, using Germany as an exchange post. The main objective of such a plan is the continuation of trade with Czechoslovakia, which is a very important consumer of Yugoslav hemp, and to encourage the exportation of Yugoslav hemp to Holland. Oberlaender agreed to submit a formal project as soon as he obtained an answer from Holland and Czechoslovakia.

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